BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2005-217-WS - ORDER NO. 2009-256

APRIL 15, 2009

IN RE: Application of Utilities Services of South Carolina, Inc. for Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Services

-) ORDER WAIVING
 - NOTICE REQUIREMENT
- OF PASS-THROUGH
-) BULK WATER RATE
- INCREASE WITH
-) PROVISION THAT
-) CUSTOMERS ARE
-) NOTIFIED PRIOR TO
-) MAY BILLING CYCLE

This matter comes before the Public Service Commission of South Carolina ("Commission") on a request by Utilities Services of South Carolina, Inc. ("USSC") to waive the notice requirement for pending pass-through bulk water rate increases from the Hammond Water District. The current bulk water rates are described in Hearing Exhibit No. 9 in Docket No. 2007-286-WS. An increase to these bulk water rates, scheduled to be charged to USSC commencing March, 31, 2009, will affect USSC's customers in the Dobbins Estates, Hill & Dale, Lakewood, Edgebrook, Oakwood Estates, and Towncreek Acres Subdivisions in Anderson County as a result of the pass-through provisions contained in USSC's rate schedule approved by Order No. 2006-22 (January 19, 2006). However, these pass-through provisions are founded on compliance with the 30 day customer notice procedure established by the tariff attached to Order No. 2002-285 (April 18, 2002) in Docket No. 2001-164-WS.

According to USSC, it is unable to meet this notice requirement because it received no notice of the rate increase from Hammond Water District and only inadvertently discovered the fact on March 24, 2009, which is less than one billing cycle from the commencement of the higher charges to USSC. Additionally, USSC states that since Hammond Water District bills on a bi-monthly basis, in arrears, customer confusion could result if two or more months of bulk water charges are ultimately passed through on a single customer bill without a waiver of the notice requirement.

We find that USSC discovered the problem of increased bulk water rates from Hammond Water District in less than one billing cycle. Moreover, we find that it is in the public interest to prevent inclusion of perhaps multiple months of increased pass-through bulk water charges on a single customer bill. It is therefore ordered that the 30 day notice requirement of pass-through bulk water rate increases USSC must provide to its customers is waived for the pending charges with the stipulation that USSC explain both the increase and the reason for the lack of notice to its customers prior to the May billing cycle.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

Elizabeth B. Fleming, Chairman

ATTEST:

John E. Howard, Vice Chairman

(SEAL)